

ND TEACHERS FUND FOR RETIREMENT
INVESTMENT PERFORMANCE REPORT AS OF JANUARY 31, 2003

	January-03				December-02				September-02				Current Fiscal YTD	Prior Year FY02	3 Years Ended 6/30/2002	5 Years Ended 6/30/2002
	Allocation				Allocation				Allocation							
	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Quarter Net ROR	Market Value	Actual	Policy	Quarter Net ROR	Net ROR	Net ROR	Net	Net
LARGE CAP DOMESTIC EQUITY																
<i>Structured Growth</i>																
AllianceBernstein	20,485,508	2.0%	2.3%	-2.42%	20,988,434	2.0%	2.3%	3.03%	20,505,017	2.0%	2.3%	-13.56%	-13.10%	-28.98%	-16.11%	N/A
Russell 1000 Growth				-2.43%				7.15%				-15.05%	-11.19%	-26.49%	-16.15%	N/A
<i>Structured Value</i>																
LSV	47,714,884	4.6%	4.5%	-2.85%	49,089,958	4.6%	4.5%	6.44%	46,409,231	4.6%	4.5%	-18.29%	-15.51%	2.72%	5.54%	N/A
Russell 1000 Value				-2.42%				9.22%				-18.77%	-13.43%	-8.96%	-4.87%	N/A
<i>Enhanced Russell 1000 Index</i>																
LA Capital (Wilshire)	45,817,691	4.4%	4.5%	-2.02%	46,753,950	4.4%	4.5%	6.92%	44,024,480	4.4%	4.5%	-16.27%	-12.29%	-17.00%	N/A	N/A
Russell 1000				-2.42%				8.16%				-16.91%	-12.31%	-17.89%	N/A	N/A
<i>Enhanced S&P 500 Index</i>																
Northern Trust	44,473,815	4.3%	4.5%	-2.62%	45,694,064	4.3%	4.5%	8.10%	42,552,156	4.2%	4.5%	-16.71%	-12.32%	-16.98%	N/A	N/A
Strong	45,303,773	4.4%	4.5%	-2.22%	46,239,413	4.4%	4.5%	10.08%	42,278,303	4.2%	4.5%	-16.75%	-10.39%	-20.23%	N/A	N/A
Westridge	55,714,485	5.3%	4.5%	-2.62%	56,870,982	5.4%	4.5%	8.52%	52,967,137	5.3%	4.5%	-17.19%	-12.49%	-17.54%	N/A	N/A
Total Enhanced S&P 500 Index	145,492,074	14.0%	13.5%	-2.50%	148,804,459	14.1%	13.5%	8.87%	137,797,596	13.7%	13.5%	-16.88%	-11.76%	-18.23%	N/A	N/A
S&P 500				-2.62%				8.44%				-17.28%	-12.65%	-17.98%	N/A	N/A
<i>S&P 500 Index</i>																
State Street	53,063,792	5.1%	5.3%	-2.62%	54,491,069	5.2%	5.3%	8.45%	47,996,287	4.8%	5.3%	-17.26%	-12.62%	-17.96%	-9.14%	3.67%
S&P 500				-2.62%				8.44%				-17.28%	-12.65%	-17.98%	-9.18%	3.67%
TOTAL LARGE CAP DOMESTIC EQUITY	312,573,949	30.0%	30.0%	-2.50%	320,127,870	30.3%	30.0%	7.69%	296,732,611	29.5%	30.0%	-16.78%	-12.62%	-17.13%	-9.48%	2.68%
S&P 500				-2.62%				8.44%				-17.28%	-12.65%	-17.98%	-9.18%	3.67%
SMALL CAP DOMESTIC EQUITY																
<i>Manager-of-Managers</i>																
SEI	98,600,121	9.5%	10.0%	-2.62%	101,226,756	9.6%	10.0%	5.19%	95,770,485	9.5%	10.0%	-19.10%	-17.13%	-11.87%	N/A	N/A
Russell 2000 + 200bp				-2.60%				6.66%				-20.90%	-17.83%	-6.68%	N/A	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	98,600,121	9.5%	10.0%	-2.62%	101,226,756	9.6%	10.0%	5.19%	95,770,485	9.5%	10.0%	-19.10%	-17.13%	-11.87%	1.18%	1.95%
Russell 2000				-2.77%				6.16%				-21.40%	-18.87%	-8.59%	1.67%	4.44%
INTERNATIONAL EQUITY																
<i>Large Cap - Core</i>																
State Street	37,396,835	3.6%	4.0%	-4.69%	39,253,302	3.7%	4.0%	4.11%	34,143,227	3.4%	4.0%	-19.99%	-20.61%	-11.74%	-6.76%	-2.26%
MSCI EAFE - 50% Hedged				-4.94%				4.04%				-20.02%	-20.90%	-14.62%	-5.75%	0.27%
<i>Large Cap - Active</i>																
Capital Guardian	95,962,864	9.2%	10.0%	-4.68%	100,621,236	9.5%	10.0%	7.35%	89,027,456	8.8%	10.0%	-21.50%	-19.66%	-13.17%	-1.00%	5.76%
Bank of Ireland	19,377,482	1.9%	2.0%	-5.66%	20,528,497	1.9%	2.0%	7.13%	19,262,251	1.9%	2.0%	-21.60%	-20.77%	N/A	N/A	N/A
Total Large Cap - Active	115,340,346	11.1%	12.0%	-4.84%	121,149,733	11.5%	12.0%	7.31%	108,289,707	10.8%	12.0%	-21.51%	-19.85%	-12.19%	-0.63%	6.00%
MSCI EAFE - 50% Hedged				-4.94%				4.04%				-20.02%	-20.90%	-14.62%	-5.75%	0.27%
<i>Small Cap - Active</i>																
Lazard	21,628,620	2.1%	2.0%	-1.76%	22,000,933	2.1%	2.0%	3.95%	21,591,198	2.1%	2.0%	-17.39%	-15.64%	N/A	N/A	N/A
Wellington	21,413,835	2.1%	2.0%	-2.58%	21,961,971	2.1%	2.0%	7.10%	20,707,908	2.1%	2.0%	-17.35%	-13.76%	N/A	N/A	N/A
Total Small Cap - Active	43,042,456	4.1%	4.0%	-2.17%	43,962,904	4.2%	4.0%	5.49%	42,299,106	4.2%	4.0%	-17.37%	-14.72%	N/A	N/A	N/A
SSB BROAD MARKET INDEX < \$2BN				-1.50%				1.85%				-15.30%	-15.03%	N/A	N/A	N/A
TOTAL INTERNATIONAL EQUITY	195,779,637	18.8%	20.0%	-4.24%	204,365,939	19.3%	20.0%	6.24%	184,732,040	18.4%	20.0%	-20.31%	-18.93%	-10.49%	-2.94%	2.40%
MSCI EAFE - 50% Hedged				-4.94%				4.04%				-20.02%	-20.90%	-14.62%	-5.75%	0.27%
EMERGING MARKETS EQUITY																
Capital Guardian	52,724,088	5.1%	5.0%	-2.21%	53,915,223	5.1%	5.0%	11.72%	48,261,472	4.8%	5.0%	-16.68%	-8.97%	-5.69%	-5.69%	-6.04%
MSCI Emerging Markets Free				-0.44%				10.04%				-16.30%	-8.30%	1.30%	-6.34%	-8.42%
DOMESTIC FIXED INCOME																
<i>Core Bond</i>																
Western Asset	10,375,577	1.0%	1.1%	1.01%	10,221,994	1.0%	1.1%	2.49%	11,090,622	1.1%	1.1%	3.66%	7.31%	8.87%	8.93%	8.26%
Lehman Aggregate				0.09%				1.57%				4.58%	6.31%	8.62%	8.10%	7.57%
<i>Active Duration</i>																
Criterion	10,259,591	1.0%	1.1%	0.31%	10,194,930	1.0%	1.1%	2.69%	10,931,445	1.1%	1.1%	2.57%	5.66%	6.00%	7.60%	7.09%
Lehman Aggregate				0.09%				1.57%				4.58%	6.31%	8.62%	8.10%	7.57%

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	Allocation		Policy	Net ROR	Allocation		Policy	Net ROR	Allocation		Policy	Net ROR	Net ROR	Net ROR	Net	Net
	Market Value	Actual			Market Value	Actual			Market Value	Actual						
Index																
Bank of ND	12,312,831	1.2%	0.8%	0.05%	12,181,504	1.2%	0.8%	1.40%	13,187,654	1.3%	0.8%	5.96%	7.49%	9.56%	8.03%	7.55%
Bank of ND Match Loan CD Program	9,474,970	0.9%	0.9%	0.46%	9,591,548	0.9%	0.9%	1.43%	9,572,281	1.0%	1.0%	1.44%	3.37%	5.79%	5.86%	5.90%
Total Index	21,787,801	2.1%	1.8%	0.16%	21,773,052	2.1%	1.8%	1.38%	22,759,935	2.3%	1.8%	4.78%	6.40%	9.68%	7.81%	7.47%
<i>Lehman Gov/Credit</i>				0.00%				1.73%				5.70%	7.52%	8.24%	7.85%	7.47%
Convertibles																
TCW	10,504,175	1.0%	1.1%	1.41%	10,316,074	1.0%	1.1%	8.32%	9,817,880	1.0%	1.1%	-9.90%	-1.03%	-21.20%	-2.06%	N/A
<i>First Boston Convertible Index</i>				2.58%				9.83%				-8.56%	3.02%	-12.44%	0.11%	N/A
BBB Average Quality																
Strong	10,468,349	1.0%	1.1%	0.31%	10,387,053	1.0%	1.1%	4.11%	10,832,203	1.1%	1.1%	0.39%	4.84%	3.16%	6.83%	N/A
<i>Lehman BBB</i>				0.54%				4.59%				2.70%	8.00%	5.85%	4.75%	N/A
Timberland																
Evergreen (Wachovia)	9,807,771	0.9%	0.9%	6.38%	9,179,043	0.9%	0.9%	3.15%	7,873,179	0.8%	0.8%	-0.22%	9.48%	N/A	N/A	N/A
														N/A	N/A	N/A
TOTAL DOMESTIC FIXED INCOME	73,203,262	7.0%	7.0%	1.38%	72,072,147	6.8%	7.0%	3.36%	73,305,265	7.3%	7.0%	0.71%	5.53%	2.56%	6.70%	6.56%
<i>Lehman Aggregate</i>				0.09%				1.57%				4.58%	6.31%	8.62%	8.10%	7.57%
HIGH YIELD BONDS																
Western Asset	80,113,029	7.7%	7.0%	2.11%	78,455,727	7.4%	7.0%	7.64%	80,966,050	8.0%	7.0%	-3.24%	6.35%	-6.08%	-3.89%	4.16%
<i>Lehman High Yield Bond Index</i>				3.33%				6.74%				-2.93%	7.06%	-3.60%	-2.31%	0.68%
INTERNATIONAL FIXED INCOME																
International Core																
UBS Global (Brinson)	56,054,526	5.4%	5.0%	1.89%	54,996,136	5.2%	5.0%	6.06%	58,388,782	5.8%	5.0%	2.39%	10.65%	16.83%	2.39%	2.43%
<i>Salomon Brothers Non-US Gov't Bond Index</i>				1.87%				6.06%				2.84%	11.12%	15.72%	3.14%	3.03%
REAL ESTATE																
JMB	54,362			-12.84%	62,368			-1.27%	1,034,424			1.94%	-12.28%	0.92%	1.25%	7.60%
INVESCO	60,557,322			0.15%	60,467,094			-0.41%	61,479,744			3.78%	3.51%	2.61%	7.70%	N/A
J.P. Morgan	46,372,981			0.06%	46,287,042			1.90%	45,423,753			1.64%	3.63%	4.10%	9.60%	11.72%
TOTAL REAL ESTATE	106,984,666	10.3%	9.0%	0.10%	106,816,504	10.1%	9.0%	0.65%	107,937,921	10.7%	9.0%	2.78%	3.55%	3.35%	8.64%	9.66%
<i>NCREIF TOTAL INDEX</i>				0.55%				1.67%				1.79%	4.06%	6.79%	9.41%	11.96%
ALTERNATIVE INVESTMENTS																
Brinson IVCF III	1,508,090			0.00%	1,508,090			-16.43%	1,804,611			7.46%	-10.19%	61.30%	112.32%	65.03%
Coral Partners V	10,822,047			0.00%	10,761,099			-7.89%	10,994,013			-17.47%	-23.98%	-46.32%	-3.46%	N/A
Coral Partners V - Supplemental	663,150			0.00%	665,192			-11.88%	767,748			-14.17%	-24.37%	N/A	N/A	N/A
Coral Partners VI	692,247			0.00%	781,393			-21.31%	635,965			N/A	N/A	N/A	N/A	N/A
Brinson 1998 Partnership Fund	1,964,608			0.00%	1,964,632			-7.89%	2,244,859			-3.97%	-11.55%	-15.23%	8.66%	N/A
Brinson 1999 Partnership Fund	2,493,306			0.00%	2,493,336			-6.50%	2,536,763			-4.67%	-10.86%	-21.70%	-0.85%	N/A
Brinson 2000 Partnership Fund	3,621,625			0.00%	3,621,669			-1.66%	3,318,861			-6.93%	-8.48%	-14.95%	N/A	N/A
Brinson 2001 Partnership Fund	1,023,454			0.00%	1,023,467			-1.33%	1,064,380			-1.08%	-2.40%	-6.22%	N/A	N/A
Brinson 2002 Partnership Fund	686,314			0.00%	686,322			-2.74%	717,702			0.15%	-2.59%	N/A	N/A	N/A
Brinson 1999 Non-US Partnership Fund	1,237,397			0.00%	1,237,412			-2.36%	1,192,303			12.07%	9.43%	-7.68%	-3.51%	N/A
Brinson 2000 Non-US Partnership Fund	1,046,236			0.00%	1,046,248			-0.81%	948,421			7.00%	6.13%	-6.51%	N/A	N/A
Brinson 2001 Non-US Partnership Fund	451,298			0.00%	451,303			-1.54%	466,207			-1.47%	-2.99%	-4.85%	N/A	N/A
Brinson 2002 Non-US Partnership Fund	930,615			0.00%	930,626			-0.33%	364,209			N/A	N/A	N/A	N/A	N/A
Brinson BVCF IV	6,897,447			0.00%	6,425,520			-9.29%	7,204,393			-2.76%	-11.79%	-29.16%	-17.06%	N/A
Matlin Patterson Global Opportunities	10,629,772			0.00%	10,629,900			0.00%	9,539,477			N/A	N/A	N/A	N/A	N/A
InvestAmerica	882,491			0.00%	882,502			3.02%	953,948			31.25%	35.21%	N/A	N/A	N/A
Hearthstone	4,756,927			0.00%	4,219,682			3.48%	4,972,366			11.34%	15.21%	4.99%	N/A	N/A
TOTAL ALTERNATIVE INVESTMENTS	50,307,024	4.8%	5.0%	0.00%	49,328,393	4.7%	5.0%	-3.56%	49,726,227	4.9%	5.0%	-6.36%	-9.69%	-26.09%	10.16%	10.85%
<i>Post Venture Capital Index</i>				0.00%				15.43%				-22.64%	-10.71%	-44.30%	-26.03%	-6.83%
CASH EQUIVALENTS																
Northern Trust STIF/STEP	15,116,284	1.5%	2.0%	0.25%	16,432,298	1.6%	2.0%	0.42%	10,493,259	1.0%	2.0%	0.68%	1.36%	2.29%	4.72%	5.01%
<i>90 Day T-Bill</i>				0.10%				0.43%				0.45%	0.98%	2.63%	4.67%	4.84%
TOTAL FUND	1,041,456,587	100.00%	100.00%	-1.58%	1,057,736,993	100.00%	100.00%	5.35%	1,006,314,110	100.00%	100.00%	-11.98%	-8.74%	-8.88%	-1.83%	3.68%
POLICY TARGET BENCHMARK				-1.69%				6.44%				-13.10%	-9.07%	-9.26%	-3.00%	3.29%

NOTE: Monthly returns and market values are preliminary and subject to change.